



GARUD SECURITIES

Code of Business Conduct

1. INTRODUCTION

This Code of Business Conduct has been developed for promoting fair employment conditions, safe working conditions, protection of human rights, respect of human life and upholding of high ethical standard. In addition to compliance with relevant laws, regulations and standards all employees of Garud Securities shall comply with the Code of Business Conduct.

Garud Securities will conduct its business at all times with honesty and integrity. It is our commitment that “we will continue to be an ethical and responsible company.”

We support the United Nations Global Compact initiative and our Code of Business Conduct is based on the ten principles of the Global Compact. We are also committed to implement the United Nation’s Guiding Principles on Business and Human Rights through all levels and operations of our company.

2. APPLICATION

The Code of Business Conduct shall be applied throughout Garud Securities’ operations by all employees. It will also cover Garud Securities’ suppliers with whom business is conducted through contractual agreements.

3. VALUES

Garud Securities operates in a culture of honesty, openness, trust and integrity in all of its business practices. The company recognises it has responsibility for all the actions of its employees in connection with the activities of the organisation. We believe that the ethics demonstrated by our employees and indeed any persons providing services on our behalf should give all customers, shareholders, suppliers, colleagues, business partners and regulators confidence that the company operates in a way that avoids any suggestion of improper or personal motives or actions. Therefore, all employees and any persons providing services on our behalf are expected to conduct themselves in accordance with this code at all times. This code is to be read in conjunction with our Anti Bribery and Anti-Corruption Policy as part of the company’s approach to ethical and responsible organisation.

The Company believes that all its stakeholders wish to be associated with an ethical organisation that upholds high standards in all that it does, in particular:

- We will comply with the law of the country.
- Will comply with all international laws related to the protection of human rights.

- We will not offer to pay, solicit or accept bribes in any form whether directly or indirectly. This includes payment or receipts of “facilitation payments” which are small payments of gifts made as common practice in some countries to obtain approvals, permits etc.
- We will not make any political donations of any kind.
- We will not engage in commercial espionage or covert surveillance of our competitors.
- We will record in our published accounts all material assets and liabilities and not maintain secret accounts.

Failure to adhere to this code may result in disciplinary action or removal from the status of approved supplier/contractor. This Code will be applied in the same fair and consistent way to all employees and suppliers in accordance with all other relevant policy documents.

4. CODE OF CONDUCT

Being signatories of the United Nations Global Compact initiative our code is based on the ten principles of the UNGC.

4.1 Human Rights

Garud Securities will respect all principles concerning fundamental rights as set out in the International Labour Organisation’s Declaration of Fundamental Principles and Rights at Work. We will strive to ensure that we are not complicit in human rights abuses. We shall always honour the principles of internationally recognised human rights. We also expect our suppliers to support and respect the protection of internationally proclaimed human rights and ensure that they are not complicit in any human rights abuses.

4.2 Labour

- i) **Freedom of association:** All employees shall be free to form and join, or not join, trade unions or such organisations and to bargain collectively.
- ii) **Elimination of Forced and Compulsory Labour:** Forced or compulsory labour shall not be used. All extra hours worked shall be voluntary and paid in line with the labour law of Nepal.
- iii) **The effective abolition of child labour:** No person shall be employed who is below the minimum legal age for employment (18 years).
- iv) **Elimination of Discrimination:** All kinds of discrimination based on race, colour, gender, marital status, religion, political opinion, ethnic background etc is completely prohibited. All employees will be treated with respect and dignity.

4.3 Environment

Garud Securities promises to undertake initiatives to promote greater environmental responsibility. Wherever possible in our operations we will encourage the introduction and implementation of environmentally friendly technologies.

4.4 Anti-Corruption

No form of corruption, extortion and bribery, including improper offers for payments to or from anyone associated with Garud Securities shall be tolerated. We expect our suppliers to adhere to the highest standard of moral and ethical conduct and not to engage in any form of corrupt

practices, including extortion, fraud, or bribery. A separate anti-corruption and anti-bribery policy is in place (GS-SOMS-POL-003-V1).

5. CONFLICT OF INTEREST

A Conflict of Interest occurs when personal interests of an employee or the interests of a third party compete with the interests of Garud Securities. In such a situation, it can be difficult for the employee to act fully in the best interests of the company. Employees shall avoid Conflicts of Interest whenever possible. If a Conflict of Interest situation has occurred or if an employee faces a situation that may involve or lead to a Conflict of Interest, the employee shall disclose it to his or her Line Manager and/or the HR to resolve the situation in a fair and transparent manner.

6. COMPLIANCE

It is each employee's responsibility to ensure full compliance with all provisions of this code and to seek guidance where necessary from their Line Manager, or from the HR. To "do the right thing" and to ensure the highest standards of integrity is each employee's personal responsibility that cannot be delegated. When in doubt, employees should always be guided by the basic principles stated in the introduction to this Code. Any failure to comply with this Code may result in disciplinary action, including the possibility of dismissal and, if warranted, legal or criminal proceedings.

7. REPORTING

Employees shall report any practices or actions believed to be inappropriate under this code or even illegal to their Line Managers or the appropriate members of the HR. If it is appropriate, in view of the nature of the reported matter, reports of violations may be made directly to higher levels including the company's Chief Executive.

Date: 20th December, 2017

Review Date: 1st January, 2019